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April 21, 2006

Allen Anderson
Manager
South Kentucky R.E.C.C.
P. O. Box 910
925-929 N. Main Street
Somerset, KY 42502-0910

RE: Case No. 2005-00450

We enclose one attested copy of the Commission's Order in the above case.

Sincerely,

A handwritten signature in black ink, appearing to read "Beth O'Donnell".

Beth O'Donnell
Executive Director

BOD/jc
Enclosure

Allen Anderson
Manager
South Kentucky R.E.C.C.
P. O. Box 910
925-929 N. Main Street
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COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

ADJUSTMENT OF RATES OF SOUTH)
KENTUCKY RURAL ELECTRIC) CASE NO. 2005-00450
COOPERATIVE CORPORATION)

O R D E R

On March 16, 2006, South Kentucky Rural Electric Cooperative Corporation ("South Kentucky") submitted an application to the Commission requesting authority to adjust its rates. The application failed to meet certain filing requirements and was rejected for filing, pursuant to 807 KAR 5:001, Section 10(1)(b)(8), by letter dated March 24, 2006. In response to the rejection notice, South Kentucky submitted additional information on April 7, 2006.

Based on a review of the additional information supplied by South Kentucky, the Commission finds that the deficiencies noted in our March 24, 2006 letter have been cured, and that South Kentucky's application should be considered filed as of April 7, 2006.

South Kentucky originally proposed that its rates become effective on April 17, 2006 and it did revise the proposed effective date when it filed the additional information to May 15, 2006. Therefore, the earliest date on which South Kentucky's proposed rates can lawfully become effective is May 15, 2006.

Based on a review of South Kentucky's rate application, the Commission finds that an investigation will be necessary to determine the reasonableness of the proposed

rates and that the investigation cannot be completed by May 15, 2006. Therefore, pursuant to KRS 278.190(2), the Commission will suspend the effective date of the proposed rates for 5 months.

IT IS THEREFORE ORDERED that:

1. Pursuant to KRS 278.190(2), South Kentucky's proposed rates are suspended for 5 months from May 15, 2006 up to and including until October 14, 2006.

2. The procedural schedule set forth in Appendix A, which is attached hereto and incorporated herein, shall be followed.

3. All requests for information and responses thereto shall be appropriately indexed. Any request for information from the Commission Staff shall be responded to as if set forth in a Commission Order. All responses shall include the name of the witness who will be responsible for responding to the questions related to the information provided, with copies to all parties of record and 5 copies to the Commission.

4. Any party filing testimony shall file an original and 8 copies.

5. South Kentucky shall give notice of any hearing in accordance with the provisions set out in 807 KAR 5:011, Section 8(5). At the time publication is requested, South Kentucky shall forward a duplicate of the notice and request to the Commission.

6. At any public hearing in this matter, neither opening statements nor summarization of direct testimonies shall be permitted.

7. The parties to this proceeding are hereby put on notice that the Commission does not look favorably upon motions for continuance. Accordingly,

motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of compelling reasons.

8. Nothing contained herein shall prevent the Commission from entering further Orders in this matter.

Done at Frankfort, Kentucky, this 21st day of April, 2006.

By the Commission

ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2005-00450 DATED April 21, 2006.

All initial requests for information to South Kentucky
shall be filed no later than.....05/08/2006

South Kentucky shall file responses to initial requests
for information no later than.....05/22/2006

All supplemental requests for information to
South Kentucky shall be filed no later than.....06/05/2006

South Kentucky shall file responses to supplemental
requests for information no later than06/16/2006

Intervenor testimony, if any, in verified prepared form
shall be filed no later than.....06/29/2006

All requests for information to Intervenors shall be
filed no later than07/13/2006

Intervenors shall file responses to requests for
information no later than.....07/25/2006

Last day for South Kentucky to publish notice of hearing To Be Scheduled

Public Hearing is to begin at 9:00 a.m., Eastern
Daylight Time, in Hearing Room 1 of the Commission's
offices at 211 Sower Boulevard, Frankfort, Kentucky,
for the purpose of cross-examination of witnesses of
South Kentucky and Intervenors..... To Be Scheduled

Briefs, if any, shall be filed by To Be Scheduled